# SENATE BILL REPORT E2SSB 6579

# As Passed Senate, February 15, 2010

**Title**: An act relating to improving the efficiency, accountability, and quality within state information systems.

**Brief Description**: Improving the efficiency, accountability, and quality within state information systems.

**Sponsors**: Senate Committee on Ways & Means (originally sponsored by Senators Swecker, Haugen, Oemig, Rockefeller, Jacobsen, Marr, Hatfield, Eide and Fraser).

### **Brief History:**

Committee Activity: Economic Development, Trade & Innovation: 1/27/10, 2/01/10 [DPS-WM]

Ways & Means: 2/03/10, 2/04/10 [DP2S, w/oRec].

Passed Senate: 2/15/10, 48-0.

# SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TRADE & INNOVATION

**Majority Report**: That Substitute Senate Bill No. 6579 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kastama, Chair; Shin, Vice Chair; Zarelli, Ranking Minority Member; Delvin, Kilmer and McCaslin.

Staff: Jack Brummel (786-7428)

#### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report**: That Second Substitute Senate Bill No. 6579 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Fairley, Hewitt, Hobbs, Honeyford, Keiser, Kline, Kohl-Welles, McDermott, Oemig, Parlette, Pflug, Pridemore, Regala, Rockefeller and Schoesler.

**Minority Report**: That it be referred without recommendation. Signed by Senator Carrell.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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**Staff**: Jenny Greenlee (786-7711)

Background: The State of Washington spent \$1.9 billion on information technology (IT) projects in 2007-2009. All agencies in state government have portfolios of software and hardware to maintain and improve. The state has undertaken a variety of efforts to examine IT strategies and expenditures for the state. In 2007, the legislature formed the Information Technology Work Group, which resulted in the hiring of a consultant to make recommendations regarding improvements in the IT arena for Washington. Additionally, the Information Services Board staffed by the Department of Information Services, develops a IT strategic plan for the state. In 2009, the state auditor conducted an analysis of shared services. The report included analyzes of of common hardware-based services such as servers, data storage, internet access and telephones. All the efforts to date have studied parts of the whole IT system and have included a limited number of stakeholders, primarily state agencies. Examples from past state efforts to examine complex multi-agency systems, including the work of the Transportation Permit Efficiency and Accountability Committee, have shown the potential for improved outcomes from comprehensive examination of issues and inclusive collaborative processes.

Summary of Engrossed Second Substitute Bill: The Information Systems Improvement Committee is created to develop recommendations for improving information technology and systems across state and local governments, and develop an action plan to build consensus and support for the recommendations. The committee will have 23 members, four from the Legislature, 13 from state agencies, and one representative each from the software industry, the hardware industry, state employees, state information technology employees, the Association of Washington Cities, and the Washington State Association of Counties. The committee will have a technical subcommittee looking at governance and such other subcommittees as the committee determines is appropriate. The Department of Information Services (DIS) is to provide assistance and facilitation.

A final report to the Legislature and the Governor is due by September 1, 2011. In addition to recommendations and an action plan, the final report is to contain benchmarking in the areas addressed by the subcommittees. Pilot projects to test the recommendations are to be identified.

The Office of Financial Management (OFM) is to:

- obtain specific information about information technology projects;
- develop a system of accounting for information technology projects; and
- submit an information technology plan as part of the Governor's budget.

The Information Services Board is to coordinate with OFM to develop contracting standards. The DIS evaluations of agency budget requests for major information technology projects are to be done in coordination with the Information Services Board and OFM. Recommendations regarding budget requests and potential efficiencies are to be submitted to Legislative Appropriations Committees. DIS reporting on major technology projects must contain information on original and final budgets and on progress on obtaining major objectives.

**Appropriation**: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: Yes.

**Effective Date**: Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill (Economic Development, Trade & Innovation)**: PRO: This bill will bring order to chaos. Every agency operates in a silo and is fearful of change and cost overruns in a complex system. This will make our system a whole lot more efficient and more effective. This is not a study; it is how to plan. It can't be top-down; it needs to be people collaborating to meet common goals.

CON: Collaboration is the way to go but we are already doing this. We want to accelerate the process. We could work on governance.

OTHER: The employee seat on the committee should be a classified state employee.

**Persons Testifying (Economic Development, Trade & Innovation)**: PRO: Senator Swecker, prime sponsor.

CON: Tony Tortorice, DIS.

OTHER: Alia Griffing, WA Federation of State Employees.

**Staff Summary of Public Testimony on Recommended First Substitute (Ways & Means)**: PRO: This bill will help get agencies who are currently working in silos to work together. This is not another study, it is getting the right people together to figure this problem out. The new director of DIS is very good and trying to do some of this work but he doesn't have a legislative mandate. The Legislature can help keep things moving forward. The model used in the Transportation Permit Efficiency and Accountability Committee is used in this bill. That model was very successful and created process improvements that saved the state at least \$1 billion on one transportation project.

OTHER: This bill is suppose to increase accountability but there are concerns about the participation of the Washington State Association of Counties and the Association of Washington Cities. These two organizations and their members are not supportive of transparency and accountability. Any endeavor that includes them will not help with transparency and accountability.

Persons Testifying (Ways & Means): PRO: Senator Swecker, prime sponsor.

OTHER: Arthur West, citizen.